

# 2012 Elkhart County Property Tax Report with Comparison to 2011

Legislative Services Agency

August 2012



This report describes property tax changes in Elkhart County between 2011 and 2012. In 2012 tax changes in each county were affected most by local factors, such as changes in assessed values, deductions, levies, credits, and tax rates. In 2012, for the first time in years, tax bill changes were not affected by statewide policy changes. The big 2008 tax reform was fully phased in by 2011. There were some statewide trends. The effects of the Great Recession lingered in many counties, depressing assessed value growth. Taxes in rural counties were affected by a large increase in farmland assessed values.

In Elkhart County the average tax bill for all taxpayers decreased by 2.8%. This tax bill drop was the result of a 4.8% decrease in Elkhart County certified net assessed value. The tax levy of all local government units rose by 1.2%. Farmland assessments increased, but there were large decreases in homestead, other residential, and business assessments, which may have been a legacy of the recession. The levy increase and assessment drop caused tax rates to rise in most Elkhart County tax districts. As a result, tax cap credits as a percentage of levies increased by 3.7% in 2012.

	Average Change in Tax Bill, All Property	Total Levy, All Units	Certified Net Assessed Value	Tax Cap Credits % of Levy
2012	-2.8%	\$205,627,713	\$7,667,540,090	13.4%
Change		1.2%	-4.8%	3.7%
2011	-2.4%	\$203,126,349	\$8,052,806,537	9.7%

## Homestead Property Taxes

Homestead property taxes decreased 2.0% on average in Elkhart County in 2012, even though tax rates in most Elkhart County tax districts increased. The county average tax rate rose by 6.3%. Homestead assessed values fell in 2012, which may account for the tax bill decrease. Many more homesteads reached their tax caps, which held the average tax increase below the average rate increase. The percentage of homesteads at their tax caps increased from 23.6% in 2011 to 27.0% in 2012.

## Net Tax Bill Changes - All Property Types

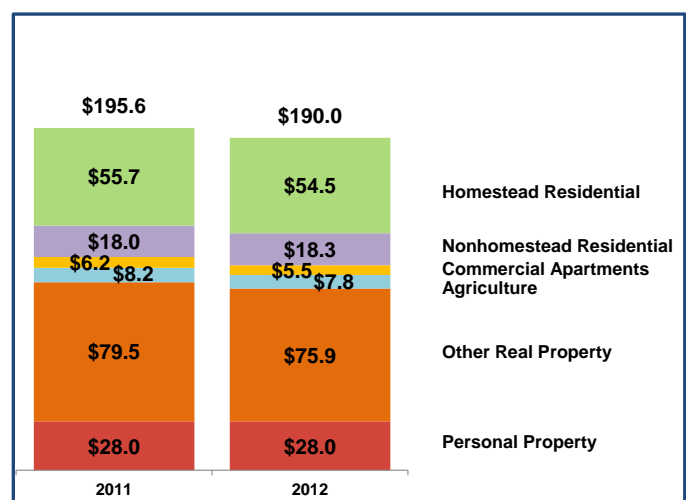
Most of Elkhart County's 2012 net property taxes were paid by business owners on their land and buildings (other real) and business equipment (personal) and by homeowners. Net tax bills for all taxpayers decreased 2.8% in Elkhart County in 2012. Net taxes were lower for homesteads, commercial apartments, agriculture, and other real property. Net taxes were higher for nonhomestead residential property and nearly unchanged for personal property.

### Comparable Homestead Property Tax Changes in Elkhart County

	2011 to 2012	
	Number of Homesteads	% Share of Total
<b>Summary Change in Tax Bill</b>		
Higher Tax Bill	15,325	32.2%
No Change	811	1.7%
Lower Tax Bill	31,423	66.1%
<b>Average Change in Tax Bill</b>	<b>-2.0%</b>	
<b>Detailed Change in Tax Bill</b>		
20% or More	892	1.9%
10% to 19%	3,319	7.0%
1% to 9%	11,114	23.4%
0%	811	1.7%
-1% to -9%	27,160	57.1%
-10% to -19%	2,621	5.5%
-20% or More	1,642	3.5%
<b>Total</b>	<b>47,559</b>	<b>100.0%</b>

Note: Percentages may not total due to rounding.

### Comparison of Net Property Tax by Property Type (In Millions)



## Tax Rates, Levies, and Assessed Values

Property tax rates increased in most Elkhart County tax districts. The average tax rate rose by 6.3%, because of a small levy increase and a large decrease in net assessed value.

Levies in Elkhart County increased by 1.2%. The largest levy increase was in Elkhart School Corporation, due to increases in the debt service and transportation funds. The county unit saw increases in its general fund levy and election/registration fund levy. Middlebury School Corporation saw decreases in its debt service and school pension debt levies, and Goshen Schools saw decreases in its capital projects and transportation fund levies.

Elkhart County's total net assessed value decreased 4.6% in 2012. Agricultural net assessments rose 5.8%. The large increase in agricultural assessed value was due to the 16% increase in the base rate assessment of farmland, from \$1,290 to \$1,500 per acre for taxes in 2012. Combined nonagricultural net assessments fell 5.2%, a substantial reduction. This decline may have been a lingering effect of the Great Recession.

Property Type	Gross AV 2011	Gross AV 2012	Gross AV Change	Net AV 2011	Net AV 2012	Net AV Change
Homesteads	\$6,547,397,279	\$6,316,109,047	-3.5%	\$2,832,472,929	\$2,722,454,404	-3.9%
Other Residential	1,155,531,851	1,074,281,315	-7.0%	1,149,468,772	1,070,172,112	-6.9%
Ag Business/Land	429,978,100	455,596,900	6.0%	429,691,100	454,651,269	5.8%
Business Real/Personal	4,873,219,940	4,615,264,295	-5.3%	4,113,632,434	3,884,957,044	-5.6%
<b>Total</b>	<b>\$13,006,127,170</b>	<b>\$12,461,251,557</b>	<b>-4.2%</b>	<b>\$8,525,265,235</b>	<b>\$8,132,234,829</b>	<b>-4.6%</b>

Net AV equals Gross AV less deductions and exemptions • Tax rates are calculated on Net AV • Circuit breaker tax caps are calculated on Gross AV

## Tax Cap Credits (Circuit Breaker)

Property taxes are capped at 1% of gross assessed value for homesteads, 2% for other residential property (including rental housing and second homes) and farmland, and 3% for business land, buildings, and equipment. Taxpayers receive credits when their tax bills exceed the caps. Credits are revenue lost to local governments.

Total tax cap credits in Elkhart County were \$29.4 million, or 13.4% of the levy. This was more than the state average percentage of the levy of 9.2%, and much more than the median value of 3.2% among all counties. Tax rates are the main determinant of tax cap credits, and Elkhart County's tax rates were higher than the state average.

More of the total tax cap credits were in the 3% business real and personal property category, but there were large credit amounts in the 1% homestead and 2% nonhomestead/farmland categories as well. The largest percentage losses were in the cities of Elkhart and Goshen, where district tax rates were well above \$3 per \$100 assessed value. The largest dollar losses were in the city of Elkhart, the Elkhart School Corporation, and the county unit.

## Tax Cap Credits by Category

Tax cap credits increased in Elkhart County in 2012 by \$8.4 million, or 40.1%. The percentage of the levy lost to credits rose by 3.7%. There were no major changes in state policy to affect tax cap credits in 2012. Elkhart County credits increased mainly because most district tax rates increased.

Tax Cap Category	2011	2012	Difference	% Change
<b>1%</b>	\$5,594,684	\$6,570,035	\$975,351	17.4%
<b>2%</b>	8,086,524	9,494,706	1,408,183	17.4%
<b>3%</b>	7,252,785	13,301,768	6,048,983	83.4%
<b>Elderly</b>	50,251	37,034	-13,217	-26.3%
<b>Total</b>	\$20,984,244	\$29,403,544	\$8,419,300	40.1%
<b>% of Levy</b>	9.7%	13.4%		3.7%

### Elkhart County Levy Comparison by Taxing Unit

Taxing Unit						% Change			
	2008	2009	2010	2011	2012	2008 - 2009	2009 - 2010	2010 - 2011	2011 - 2012
<i>County Total</i>	268,934,793	197,890,643	204,496,326	203,126,349	205,627,713	-26.4%	3.3%	-0.7%	1.2%
State Unit	233,312	0	0	0	0	-100.0%			
Elkhart County	41,293,574	31,179,051	30,634,106	31,860,292	32,934,356	-24.5%	-1.7%	4.0%	3.4%
Baugo Township	378,638	723,998	703,447	384,971	713,322	91.2%	-2.8%	-45.3%	85.3%
Benton Township	135,225	135,821	139,974	142,617	145,319	0.4%	3.1%	1.9%	1.9%
Cleveland Township	621,482	557,197	591,657	962,368	486,349	-10.3%	6.2%	62.7%	-49.5%
Clinton Township	109,216	107,735	463,029	423,446	330,868	-1.4%	329.8%	-8.5%	-21.9%
Concord Township	1,744,166	2,288,804	1,541,827	1,362,315	1,355,493	31.2%	-32.6%	-11.6%	-0.5%
Elkhart Township	425,238	397,352	413,675	413,773	420,357	-6.6%	4.1%	0.0%	1.6%
Harrison Township	150,444	156,589	161,025	153,584	167,673	4.1%	2.8%	-4.6%	9.2%
Jackson Township	307,404	310,333	320,148	325,848	224,502	1.0%	3.2%	1.8%	-31.1%
Jefferson Township	386,550	377,753	392,487	396,911	401,781	-2.3%	3.9%	1.1%	1.2%
Locke Township	69,709	71,849	75,098	75,379	78,663	3.1%	4.5%	0.4%	4.4%
Middlebury Township	1,486,369	1,527,178	1,591,168	1,621,998	1,667,880	2.7%	4.2%	1.9%	2.8%
Olive Township	68,079	70,247	73,048	72,571	53,828	3.2%	4.0%	-0.7%	-25.8%
Osolo Township	922,535	896,878	1,094,288	1,020,004	1,166,040	-2.8%	22.0%	-6.8%	14.3%
Union Township	148,904	148,497	151,914	146,614	156,119	-0.3%	2.3%	-3.5%	6.5%
Washington Township	158,550	258,716	254,512	256,370	351,590	63.2%	-1.6%	0.7%	37.1%
York Township	160,186	165,075	172,165	177,287	182,564	3.1%	4.3%	3.0%	3.0%
Elkhart Civil City	32,384,722	32,250,774	33,928,683	34,747,066	35,291,655	-0.4%	5.2%	2.4%	1.6%
Goshen Civil City	12,849,725	13,049,848	13,229,238	14,028,170	14,717,267	1.6%	1.4%	6.0%	4.9%
Nappanee Civil City	3,134,194	3,172,899	3,301,232	3,391,538	3,504,628	1.2%	4.0%	2.7%	3.3%
Bristol Civil Town	987,643	1,015,894	1,035,719	1,105,545	1,104,490	2.9%	2.0%	6.7%	-0.1%
Middlebury Civil Town	1,608,317	1,653,655	1,713,605	1,774,185	1,808,355	2.8%	3.6%	3.5%	1.9%
Millersburg Civil Town	265,945	271,998	276,643	285,451	283,936	2.3%	1.7%	3.2%	-0.5%
Wakarusa Civil Town	1,129,060	1,154,395	1,230,876	1,214,922	1,301,889	2.2%	6.6%	-1.3%	7.2%
Fairfield Community School Corp	10,210,920	6,472,938	5,500,603	5,122,654	5,102,864	-36.6%	-15.0%	-6.9%	-0.4%
Baugo Community School Corp	9,108,127	5,537,444	6,129,180	5,817,909	5,917,320	-39.2%	10.7%	-5.1%	1.7%
Concord Community School Corp	23,816,578	15,179,919	17,073,769	16,273,874	16,721,331	-36.3%	12.5%	-4.7%	2.7%
Middlebury Community School Corp	20,744,150	13,138,147	12,088,940	13,246,177	12,345,238	-36.7%	-8.0%	9.6%	-6.8%
Wa-Nee Community School Corp	15,639,372	9,315,827	9,613,666	8,078,225	7,508,070	-40.4%	3.2%	-16.0%	-7.1%
Elkhart Community School Corp	54,079,660	32,824,909	35,525,645	32,735,397	34,485,888	-39.3%	8.2%	-7.9%	5.3%
Goshen Community School Corp	26,132,322	15,733,324	16,865,886	17,018,261	16,197,783	-39.8%	7.2%	0.9%	-4.8%
Bristol Public Library	173,362	181,226	190,069	196,307	202,180	4.5%	4.9%	3.3%	3.0%
Elkhart Public Library	4,173,180	3,931,613	4,353,962	4,486,678	4,620,299	-5.8%	10.7%	3.0%	3.0%
Goshen Public Library	1,541,946	1,589,341	1,662,669	1,779,039	1,695,019	3.1%	4.6%	7.0%	-4.7%
Nappanee Public Library	979,974	976,820	898,650	906,036	891,635	-0.3%	-8.0%	0.8%	-1.6%
Wakarusa-Olive Twp-Harrison Twp Pub Lib	368,438	382,853	394,915	386,726	343,679	3.9%	3.2%	-2.1%	-11.1%
Middlebury Public Library	660,066	683,746	708,808	735,841	747,483	3.6%	3.7%	3.8%	1.6%
Elkhart County SW Management District	0	0	0	0	0				
Goshen Redevelopment Commission	0	0	0	0	0	-100.0%			
Elkhart City Redevelopment Commission	147,511	0	0	0	0				
Nappanee Redevelopment Commission	0	0	0	0	0				
Elkhart County Redevelopment Commission	0	0	0	0	0				
Bristol Redevelopment Commission	0	0	0	0	0				
Millersburg Redevelopment Commission	0	0	0	0	0				
Middlebury Redevelopment Commission	0	0	0	0	0				

# Elkhart County 2012 Tax Rates, Credit Rates, and Net Tax Rates for Homesteads by Taxing District

Dist #	Taxing District	Tax Rate	Credit Rates						Net Tax Rate, Homesteads
			LOIT PTRC	COIT Homestead	CEDIT Homestead	CEDIT Residential	LOIT Homestead	LOIT Residential	
20001	Baugo Township	2.2208	--	--	--	--	--	--	2.2208
20002	Elkhart City-Baugo Township	3.9383	--	--	--	--	--	--	3.9383
20003	Benton Township	1.5497	--	--	--	--	--	--	1.5497
20004	Millersburg Town-Benton Township	2.6616	--	--	--	--	--	--	2.6616
20005	Cleveland Township	1.9745	--	--	--	--	--	--	1.9745
20006	Elkhart City-Cleveland Township	3.6218	--	--	--	--	--	--	3.6218
20007	Clinton Township	1.5878	--	--	--	--	--	--	1.5878
20008	Millersburg Town-Clinton Twp	2.6456	--	--	--	--	--	--	2.6456
20009	Concord Township	2.3566	--	--	--	--	--	--	2.3566
20011	Elkhart City-Concord Twp-Concord Sch	3.9426	--	--	--	--	--	--	3.9426
20012	Elkhart City-Concord Twp-Elkhart Sch	3.5955	--	--	--	--	--	--	3.5955
20013	Goshen City-Concord Township	3.5666	--	--	--	--	--	--	3.5666
20014	Elkhart Township	2.1136	--	--	--	--	--	--	2.1136
20015	Goshen City-Elkhart Township	3.3447	--	--	--	--	--	--	3.3447
20016	Harrison Township	1.6294	--	--	--	--	--	--	1.6294
20017	Wakarusa Town-Harrison Township	2.4699	--	--	--	--	--	--	2.4699
20018	Jackson Township	1.5259	--	--	--	--	--	--	1.5259
20019	Jefferson Township	1.8090	--	--	--	--	--	--	1.8090
20020	Locke Township	1.4809	--	--	--	--	--	--	1.4809
20021	Nappanee City-Locke Township	3.1710	--	--	--	--	--	--	3.1710
20024	Olive Township	1.5832	--	--	--	--	--	--	1.5832
20025	Wakarusa Town-Olive Township	2.4619	--	--	--	--	--	--	2.4619
20026	Osolo Township	2.0038	--	--	--	--	--	--	2.0038
20027	Elkhart City-Osolo Township	3.5924	--	--	--	--	--	--	3.5924
20028	Union Township	1.7693	--	--	--	--	--	--	1.7693
20029	Nappanee City-Union Township	3.1402	--	--	--	--	--	--	3.1402
20030	Washington Township	1.8864	--	--	--	--	--	--	1.8864
20031	Bristol Town	2.5522	--	--	--	--	--	--	2.5522
20032	York Township	1.7793	--	--	--	--	--	--	1.7793
20034	Middlebury Township	2.0467	--	--	--	--	--	--	2.0467
20035	Middlebury Town	2.7478	--	--	--	--	--	--	2.7478
20036	Goshen City-Harrison Township	2.9254	--	--	--	--	--	--	2.9254
20037	Goshen City-Jefferson Twp	3.1396	--	--	--	--	--	--	3.1396
20038	Middlebury Corp-York Township	2.4176	--	--	--	--	--	--	2.4176

Notes: A *Taxing District* is a geographic area of a county where taxing units overlap, so the sum of the taxing unit tax rates is the total district rate.

The *Tax Rate* is the gross levy divided by net assessed value, in dollars per \$100 assessed value.

The *LOIT*, *COIT*, and *CEDIT* credits are funded by local income taxes.

The *Net Tax Rate for Homesteads* is calculated by reducing the tax rate by the various credit percentages.

### Elkhart County 2012 Circuit Breaker Cap Credits

Taxing Unit Name	Circuit Breaker Credits by Property Type					Circuit Breaker as % of Levy	
	(1%) Homesteads	(2%) Other Residential and Farmland	(3%) All Other Real/Personal	Elderly	Total		
<i>Non-TIF Total</i>	6,565,815	9,303,045	11,969,130	37,032	27,875,021	205,627,713	13.6%
<i>TIF Total</i>	4,220	191,662	1,332,638	2	1,528,522	13,331,396	11.5%
<i>County Total</i>	6,570,035	9,494,706	13,301,768	37,034	29,403,544	218,959,109	13.4%
Elkhart County	890,893	1,151,708	1,358,845	6,092	3,407,539	32,934,356	10.3%
Baugo Township	8,769	6,841	299	236	16,145	713,322	2.3%
Benton Township	95	54	0	19	168	145,319	0.1%
Cleveland Township	7,816	3,395	12,937	115	24,262	486,349	5.0%
Clinton Township	630	2,198	0	37	2,866	330,868	0.9%
Concord Township	43,815	65,629	63,134	385	172,964	1,355,493	12.8%
Elkhart Township	11,565	13,449	8,645	85	33,744	420,357	8.0%
Harrison Township	10	9	0	10	29	167,673	0.0%
Jackson Township	0	0	0	0	0	224,502	0.0%
Jefferson Township	2,920	27	0	3	2,950	401,781	0.7%
Locke Township	1,155	2,150	1,201	17	4,523	78,663	5.7%
Middlebury Township	50,846	30,537	0	160	81,542	1,667,880	4.9%
Olive Township	318	277	0	2	597	53,828	1.1%
Osolo Township	29,441	18,087	27,159	302	74,989	1,166,040	6.4%
Union Township	2,369	1,382	626	30	4,406	156,119	2.8%
Washington Township	3,120	391	0	151	3,662	351,590	1.0%
York Township	297	0	0	28	325	182,564	0.2%
Elkhart Civil City	1,351,064	2,684,404	4,492,428	4,328	8,532,225	35,291,655	24.2%
Goshen Civil City	755,070	989,717	922,694	2,462	2,669,943	14,717,267	18.1%
Nappanee Civil City	232,232	181,526	89,214	1,413	504,384	3,504,628	14.4%
Bristol Civil Town	23,370	28,613	0	329	52,312	1,104,490	4.7%
Middlebury Civil Town	65,822	55,612	0	218	121,652	1,808,355	6.7%
Millersburg Civil Town	4,322	14,176	0	226	18,724	283,936	6.6%
Wakarusa Civil Town	29,845	26,142	0	163	56,150	1,301,889	4.3%
Fairfield Community School Corp	3,961	12,995	0	364	17,320	5,102,864	0.3%
Baugo Community School Corp	72,337	56,434	10,629	1,943	141,343	5,917,320	2.4%
Concord Community School Corp	483,105	645,465	1,600,595	3,171	2,732,336	16,721,331	16.3%
Middlebury Community School Corp	205,436	103,878	4	961	310,279	12,345,238	2.5%
Wa-Nee Community School Corp	183,382	146,041	58,493	1,361	389,277	7,508,070	5.2%
Elkhart Community School Corp	1,065,565	1,686,398	2,086,417	7,701	4,846,081	34,485,888	14.1%
Goshen Community School Corp	753,719	999,956	774,993	3,055	2,531,724	16,197,783	15.6%
Bristol Public Library	2,627	1,905	0	78	4,609	202,180	2.3%
Elkhart Public Library	148,459	235,284	355,788	928	740,459	4,620,299	16.0%
Goshen Public Library	77,179	99,190	90,182	295	266,845	1,695,019	15.7%
Nappanee Public Library	38,689	30,212	14,848	281	84,030	891,635	9.4%
Wakarusa-Olive Twp-Harrison Twp Pub Lib	3,130	2,742	0	26	5,898	343,679	1.7%
Middlebury Public Library	12,442	6,219	0	58	18,719	747,483	2.5%
Elkhart County Solid Waste Management Dist	0	0	0	0	0	0	
Elkhart County SW Management District	0	0	0	0	0	0	
Goshen Redevelopment Commission	0	0	0	0	0	0	
Elkhart City Redevelopment Commission	0	0	0	0	0	0	
Nappanee Redevelopment Commission	0	0	0	0	0	0	
Elkhart County Redevelopment Commission	0	0	0	0	0	0	
Bristol Redevelopment Commission	0	0	0	0	0	0	
Millersburg Redevelopment Commission	0	0	0	0	0	0	
Middlebury Redevelopment Commission	0	0	0	0	0	0	
TIF - Baugo Township	0	75	0	0	75	21,218	0.4%
TIF - Benton Township	0	0	0	0	0	44,051	0.0%
TIF - Millersburg-Clinton	0	0	0	0	0	172,834	0.0%

### Elkhart County 2012 Circuit Breaker Cap Credits, Continued

Taxing Unit Name	Circuit Breaker Credits by Property Type					Circuit Breaker as % of Levy	
	(1%) Homesteads	(2%) Other Residential and Farmland	(3%) All Other Real/Personal	Elderly	Total	Levy	
<i>Non-TIF Total</i>	6,565,815	9,303,045	11,969,130	37,032	27,875,021	205,627,713	13.6%
<i>TIF Total</i>	4,220	191,662	1,332,638	2	1,528,522	13,331,396	11.5%
<i>County Total</i>	6,570,035	9,494,706	13,301,768	37,034	29,403,544	218,959,109	13.4%
TIF - EC Concord School	0	124	128,093	0	128,217	665,186	19.3%
TIF - Nappanee-Union	0	17,270	8,691	0	25,961	242,295	10.7%
TIF - Cleveland Township	0	0	0	0	0	227,030	0.0%
TIF - EC Cleveland	0	4,928	30,376	0	35,304	187,938	18.8%
TIF - Clinton Township	0	0	0	0	0	51,651	0.0%
TIF - Osolo Township	0	29	0	0	29	1,060,159	0.0%
TIF - EC Osolo	0	621	332,892	0	333,513	2,020,319	16.5%
TIF - Goshen Civ Concord Sch	0	29	156,421	0	156,450	984,698	15.9%
TIF - Goshen	167	24,215	324,757	2	349,141	3,220,954	10.8%
TIF - York Township	0	0	0	0	0	3,119	0.0%
TIF - Middlebury Twp	605	515	0	0	1,120	53,982	2.1%
TIF - Middlebury Corp	134	945	0	0	1,079	971,173	0.1%
TIF - Concord Township	0	2,791	0	0	2,791	297,042	0.9%
TIF - EC Concord	3,314	137,622	330,417	0	471,353	2,376,895	19.8%
TIF - Jefferson Township	0	0	0	0	0	181,100	0.0%
TIF - Nappanee-Locke	0	2,416	20,990	0	23,406	435,683	5.4%
TIF - Washington Township	0	0	0	0	0	71,336	0.0%
TIF - Midd Corp York Twp	0	0	0	0	0	30,145	0.0%
TIF - Bristol Town	0	80	0	0	80	12,587	0.6%

Notes: Circuit breaker tax cap credits are tax savings for taxpayers and revenue losses for local government units. Circuit breaker credits are highest in tax districts with the highest tax rates. These are usually districts that include cities or towns because the municipal tax rate is included in the district tax rate. This means that most circuit breaker credits are in cities and towns and in units that overlap cities and towns.

#### Circuit Breaker Credit Types:

*Homesteads* are owner-occupied primary residences and include homestead land and buildings in the 1% tax cap category. Owner-occupied mobile homes and agricultural homesteads are included in this category. This category only includes credits on the portion of the property that qualifies as a homestead.

*Other Residential/Farmland* includes small rental housing units, larger commercial apartments, second homes, long-term care facilities, and farmland, in the 2% tax cap category.

*All Other Real/Personal* is commercial, industrial, and utility land and buildings, and business equipment, including agricultural equipment, in the 3% tax cap category. This category also includes credits on the portion of homeowner properties that do not qualify as a homestead.

*Elderly* includes credits for the 2% annual limit on homestead tax bill increases for low-income homeowners, age 65 and over.

The *Total Levy by Unit* is gross property taxes levied, before all tax credits. For TIF districts, this amount represents the TIF proceeds before circuit breaker credits. This information is included to allow comparison to the circuit breaker revenue losses.

Numbers may not total due to rounding.